

**DEPARTMENT OF COMMUNITY SERVICES AND DEVELOPMENT**

700 North 10th Street, Room 258  
Sacramento, CA 95814-0338  
(916) 341-4200  
(916) 341-4203 (FAX)  
(916) 327-6318 (TDD)

**Draft**

April 26, 2004

Mr. Clarence H. Carter, Director  
Office of Community Services  
Administration for Children and Families  
U.S. Department of Health and Human Services  
370 L'Enfant Promenade, S.W.  
Washington, D.C. 20447

Dear Mr. Carter:

The purpose of this letter is to submit a standard waiver request to use 25 percent of Low-Income Home Energy Assistance Program (LIHEAP) funds for residential weatherization. State of California Government Code Section 16367.5 mandates that California submit a weatherization waiver request each year. The following information is provided in compliance with the Code of Federal Regulations, Title 45, Part 96.83, regarding requests to increase the maximum amount that may be used for weatherization and other energy-related home repair.

(c)(1) The State of California requests to use 25 percent of its fiscal year 2004 LIHEAP allotment for weatherization.

(c)(2) The State of California has met each of the following three criteria necessary for a standard waiver request.

(c)(2)(i) In fiscal year 2004, the combined total (aggregate) number of households in the state that will receive LIHEAP heating, cooling, and crisis assistance benefits that are provided from federal LIHEAP allotments from regular and supplemental appropriations will not be fewer than the combined total (aggregate) number that received such benefits in the preceding (2003) fiscal year.

(c)(2)(ii) In fiscal year 2004, the combined total (aggregate) amount, in dollars, of LIHEAP heating, cooling, and crisis assistance benefits received by the state's service population that are provided from federal LIHEAP allotments from regular and supplemental appropriations will not be less than the combined total (aggregate) amount received in the preceding (2003) fiscal year.

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(c)(2)(iii) All LIHEAP weatherization activities to be carried out by the state in fiscal year 2004 will produce measurable savings in energy expenditures. CSD uses weatherization installation and materials standards listed in Appendix A of the U.S. Department of Energy (DOE) weatherization regulations, 10 CFR Part 440, installation of materials meeting the specific standards incorporated by reference in Appendix A, and weatherization activities specifically allowed by official DOE correspondence and memoranda. The state is citing the above standards as the criteria under which its LIHEAP-funded weatherization activities have been shown to produce measurable savings. The U.S. Department of Energy, Office of Energy Efficiency and Renewable Energy, reports that for individual families who weatherize their home, the gain is immediate with an average savings of 15% of their energy bills amounting to \$200 to \$250 per year depending on fuel prices.

(c)(3) With regard to criterion in paragraph (c)(2)(i), the state's best estimate of the appropriate household totals for the fiscal year for which the waiver is requested (2004) and for the preceding fiscal year (2003) are as follows:

HOUSEHOLDS			
Fiscal Year	Heating and Cooling	Crisis	Total
*2003	139,876	59,479	199,355
**2004	165,114	55,509	220,623

\* Actual Numbers - Source: Federal Fiscal Year 2003- Household Report dated 12/9/2003, as submitted for the State of California.

\*\* Actual and projected numbers.

(c)(4) With regard to criterion in paragraph (c)(2)(ii), the state's best estimate of the appropriate benefit totals, in dollars, for the fiscal year for which the waiver is requested 2004 and for the preceding fiscal year (2003) are as follows:

BENEFITS			
Fiscal Year	Heating and Cooling	Crisis	Total
2003	\$28,950,948	\$23,656,459	\$52,607,407
**2004	\$30,799,969	\$22,743,714	\$53,543,683

\*\* Actual and projected numbers.

(c)(5) With regard to criterion in paragraph (c)(2)(iii), a description of the weatherization activities to be carried out by the state in fiscal year 2004 (with all LIHEAP funds proposed to be used for weatherization, not just with the amount over 15 percent), and an explanation of the specific Mr. Clarence Carter

criteria under which the grantee has determined whether these activities have been shown to produce measurable savings in energy expenditures, are provided in subsection (c)(2)(iii) in this letter.

In accordance with the referenced DOE guidelines, the following LIHEAP weatherization activities will be performed by CSD contractors during fiscal year 2004.

1. Mandatory measures:
  - a) Combustion appliance health/safety hazard repair/replacement
  - b) Carbon monoxide detector/alarm
  - c) Glass replacement
  - d) Duct and register repair/replacement
  - e) Minor envelope repairs
  - f) Evaporative cooler/air conditioner vent cover
  - g) Attic venting
  - h) Ceiling insulation
  - i) Water flow restrictors: low-flow showerheads and hot water faucet restrictors
  - j) Door weatherstripping
  - k) Water heater blanket
  - l) Water heater pipe wrap
  - m) Duct wrap
  - n) Switch and outlet gaskets
  - o) Caulking
  - p) Other weatherstripping
  - q) Electric base load measures: refrigerator replacement, electric water heater repair/replacement, microwave ovens, compact fluorescent lamps, and fluorescent torchiere lamp replacement.
2. Optional measures include evaporative cooler installation, window/wall air conditioner replacement, ceiling fans, evaporative cooler repair, filter replacement for air conditioning or furnace unit, filters plus filter replacement signal, floor foundation venting, floor insulation, electric water heater timers, setback thermostats, shade screens, shutters, storm windows, tinted film, wall insulation, wood-fueled space heaters, vented heating source replacement, heating source repair, and air conditioning unit repair.

(c)(6) A description of how and when the proposed waiver request was made available for timely and meaningful public review and comment, copies and/or summaries of any comments received on the request (including transcripts and/or summaries of any comments made on the request at public meetings or hearings), a statement of the method for reviewing public comments, and a statement of the changes, if any, that were made in response to these comments, are included.

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*A public hearing will be held on April 26, 2004, to accept comments on the state's request to increase the LIHEAP weatherization component from 15 to 25 percent. Notice of the hearing (attached) will be published in three newspapers from April 16, 2004 through April 26, 2004, and correspondence (attached) will be sent to the network of service provider agencies on April 8, 2004. Both the Draft Standard Waiver Request and the Notice of Public Hearing will be posted on the CSD website. Interested parties will be invited to attend the hearing and/or submit written comments.*

I trust this information is sufficient to enable the Office of Community Services to grant a waiver to the State of California to increase its weatherization to 25 percent for a program that provides meaningful, long-term benefits to California's low-income households. If you have any questions, please contact Mr. John Ochoa, Program Manager, Program Development and Support at (916) 341-4327 or by e-mail at [jochoa@csd.ca.gov](mailto:jochoa@csd.ca.gov)

Sincerely,

TIMOTHY M. DAYONOT  
Director

Attachments

STATE OF CALIFORNIA  
DEPARTMENT OF COMMUNITY SERVICES AND DEVELOPMENT  
NOTICE OF PUBLIC HEARING - LOW-INCOME HOME ENERGY ASSISTANCE PROGRAM  
(LIHEAP) - 2004 WEATHERIZATION WAIVER REQUEST

The State of California, Department of Community Services and Development (CSD) will conduct a public hearing on Monday, April 26, 2004. The hearing is to receive comments on the DRAFT request for a Weatherization Waiver for the U.S. Department of Health and Human Services Low-Income Home Energy Assistance Program (LIHEAP). The hearing is scheduled for 10:00 a.m., April 26, 2004 at the: Department of Community Services and Development, 700 North Tenth Street, Bado Conference Room, Sacramento, CA 95814

Persons presenting oral testimony are requested to provide a written statement of their presentation at the conclusion of their testimony. If unable to attend, send written comments to the Department of Community Services and Development, 700 North Tenth Street, Room 258, Sacramento, CA 95814, Attention: John Ochoa, Manager, Program Development and Support. Written comments will be accepted until 5:00 p.m., April 26, 2004. A copy of the LIHEAP Weatherization Waiver request is available by accessing CSD's web site at <http://www.csd.ca.gov> (under "What's New") and can also be obtained during the hearing.

NOTICE - Americans with Disabilities Act - Individuals who, because of a disability, need special assistance to attend or participate in this hearing, may request assistance by calling Lisa Bell at (916) 341-4256. Requests should be made four working days in advance whenever possible.

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April 8, 2004

TO: LIHEAP Contractors - Via Fax

RE: Public Hearing on the 2004 LIHEAP Weatherization Waiver

The Department of Community Services and Development (CSD) is submitting a waiver request to the Department of Health and Human Services (DHHS) to increase the weatherization component from fifteen percent (15%) to twenty-five percent (25%). CSD plans to submit the waiver request to DHHS on April 26, 2004.

A public hearing will be held to accept comments on the weatherization waiver request. The hearing is scheduled for April 26, 2004 at 10:00 a.m. and will be conducted at CSD, 700 North Tenth Street, Sacramento, Bado Conference Room. If you cannot attend the hearing but wish to comment, written testimony will be accepted through April 26, 2004 until 5:00 p.m. Comments postmarked by April 26, 2004 will be accepted.

You can obtain a copy of the draft 2004 weatherization waiver by accessing CSD's web site on April 8, 2004 at <http://www.csd.ca.gov> (under "What's New") or by calling Irma Holquin at (916) 341-4368. Copies of the draft waiver will also be available at the hearing.

If you have any questions, please call Sukie Godinez, Manager, at (916) 341-4285.

Sincerely,

**Original signed and faxed- 4/8/2004**

WENDY WOHL  
Acting Chief Deputy Director